



TO: ALL MEDIA HOUSES

FROM: THE OFFICE OF THE SECRETARY GENERAL

SUBJECT: PPF FLABBERGASTED BY RACE DISCRIMINATION BY MEDICAL AID SCHEMES AND ITS INTENDED ECONOMIC CONSEQUENCES AND CALLS ON CMS TO INTERVENE

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538 words

The Progressive Professionals Forum (PPF) is flabbergasted but not surprised by the findings of the S 59 Independent Panel Interim Report crafted by Adv Tembeka Ngcukaitobi and team. The Report finds that 'Black providers are unfairly discriminated against on the grounds of race'. It cannot be that 27 years into post-apartheid South Africa an entire race is still being discriminated against and this by large corporates such as Discovery, Medscheme and the South African Government's own GEMS. This type of discrimination is immoral and wrong. "The profiling of medical practitioners by Medical Aid Schemes which led to racial discrimination must be condemned in the strongest terms. Medical Aid Schemes must publicly apologise and pay a penalty for their discriminatory acts" says Kashif Wicomb, President of the PPF.

What is even more disturbing is the economic consequences of this race profiling. The Report found that Medical Aid Schemes can unilaterally decide to claw back an amount without giving the medical practitioner an opportunity to defend the allegation. Where such an opportunity is granted "The power imbalance between practitioners and medical aid schemes is the poster child definition for a typical established business vs small business in settlement negotiations. Medical Aids are well resourced and powerful vs individual practitioners when they do negotiate Acknowledgement of Debts. In addition, Medical Schemes and administrators are then also the arbiter in the implementation of their own FWA system" says Wicomb. The Report found that black General Practitioners are 1.5 times more likely and more than 50 % of black counsellors are more likely to be classified as Fraud Waste & Abuse cases than their white counterparts. "This in effect means that sanctions of claw backs, AOD, placing providers on indirect payment are mostly applied to black practitioners" says Wicomb.

President: Kashif Wicomb | **Deputy President:** Stephen Ngubeni | **National Chairperson:** Abram Luruli
Secretary General: Sithembiso Kubheka | **Deputy Secretary General:** Matshidiso Mfikoe
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The PPF supports the recommendation of the Panel that the HPCSA and CMS (as a regulatory body mandated by the Council of Medical Schemes Act) must ensure the implementation of the recommendations of the Panel:

1. Must address FWA by agitating for the amendment of procedures to be followed by schemes in implementing their powers in terms of Medical Schemes Act;
2. Craft & agitate amendments to the Act for remedies available to parties who feel aggrieved by the conduct of scheme;
3. Craft amendments to the Act for penalties against schemes who breach the Act;
4. Craft amendments to the Act for an independent mediator to be appointed at meetings between schemes & practitioners where FWA is discussed & amount implicated is determined.

The PPF further calls for:

1. Compensation to be paid by Medical schemes where discrimination is proven.
2. A public apology by Medical Schemes for their racial profiling.
3. Medical Schemes to formally reimburse illegally obtained fees & withheld fees which were due to medical practitioners since 2012.
4. Complete suspension by Medical Schemes of publishing an annual list of Medical practitioners placed on 'Indirect Payment' as this an obvious implication that these practitioners were involved in Fraud Wastage & Abuse. In most cases the listed practitioners were not given the opportunity to present their case thus flouting the legal maxim of audi alteram partem / hear the other side.

ENDS

For media enquiries please make contact with Sithembiso Kubheka (PPF Secretary General) on 083 353 5124 or Kashif Wicomb on 082 415 6634.

About the PPF

The Progressive Professionals Forum (PPF) is a non-racial, no sexist and non-xenophobic organisation of progressive professionals, academics, intellectuals and patriotic entrepreneurs subscribing the values of the Freedom Charter and the Constitution of South Africa. The PPF, as the resource base and think tank of South Africa, objective is to assist the State in realising our country's developmental goals through contributing towards public policy, research and advocacy.

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